

NORTH DAKOTA TOURISM ANNUAL REPORT 2014



"We have seen significant growth in our number of visitors to and dollars spent in North Dakota. With 24 million travelers spending \$3.6 billion in 2013, that kind of growth verifies the importance of our travel industry and the integral role it plays in our economic strength. Our investment in tourism continues to produce impressive results, with the industry making significant contributions to our communities and state."

Governor Jack Dalrymple



"North Dakota's travel industry serves a variety of visitors. Our communities and attractions serve as destinations for traditional family summer vacations, but they also accommodate business travelers, families on the road for sports tournaments, shoppers and outdoor adventure seekers. Whether through hotel accommodations, restaurants, event centers, museums, merchandise or parks, North Dakota's travel industry had another busy, profitable year serving the needs of people on the go. Recent studies all show strong growth in visitor numbers and expenditures. We also measure the direct impact our division's advertising has on motivating trips to North Dakota. In 2014 the Tourism Division spent \$2.5 million on paid advertising, which research shows motivated 1.2 million trips to our state."

Sara Otte Coleman
Tourism Director
North Dakota Department of Commerce



"At Woodland Resort, hunting and fishing are what we do. The amazing thing about North Dakota and the Devils Lake region is the Legendary experience that we can share with our guests in all four seasons. Not many places in the world own this bragging right. If we remain aggressive in marketing and providing outstanding service, we will continue to draw visitors and sportsmen from all 50 states and many countries for years to come."

Kyle Blanchfield,
Owner,
Woodland Resort, Devils Lake



“Youth sport travelers pack a huge economic impact. More than 2,500 hockey players and families came to Fargo for the annual Squirt International Hockey Tournament, and spent more than \$1 million. In June, another 2,500 soccer players and families arrived for a Tri-City weekend tournament, leading to nearly \$600,000 in direct spending. Tournaments and events like these helped keep the 2014 hotel occupancy rate over 67% in our market.”

Charley Johnson,
President/CEO,
Fargo-Moorhead Convention
and Visitors Bureau



“Canadian visitors have a tremendous impact on the North Dakota economy, as their main reasons for traveling to the state are to shop and for weekend getaways. Because of the selection and prices offered here, they spend their time and money in our stores, hotels and restaurants.”

Julie Rygg,
Executive Director,
Greater Grand Forks Convention & Visitors Bureau



“North Dakota is experiencing dynamic growth across the state, attracting travelers who are coming to play and to work. This is really driving demand for spacious, comfortable, contemporary and convenient lodging options where guests can relax and remain productive on the road. Business travelers are especially attracted to the complimentary amenities offered at most of our hotels, including free Wi-Fi, free breakfast, free business center, free fitness centers or pools and free parking.”

Sarah Lee,
Director,
Public Relations
Choice Hotels International

“One of the most important market segments for Bismarck-Mandan is the convention business traveler. Annually, convention business travelers (meeting and convention delegates) spend nearly \$30 million in our communities.”

Terry Harzinski,
Chief Executive Director,
Bismarck-Mandan Convention
and Visitors Bureau



VISITORS PACK AN ECONOMIC PUNCH

24 MILLION VISITORS IN 2013

- 16.1 million domestic leisure travelers
- 5.8 million business travelers
- 2.3 million international travelers

Visitors from other U.S. states represent the largest portion of expenditures in North Dakota at 55% and international travelers contribute an additional 10% to our visitor spending.

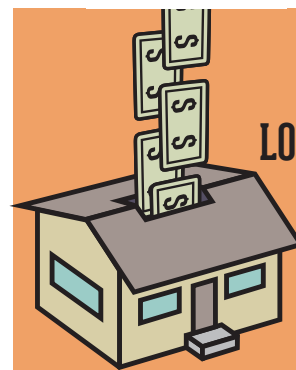


Source: IHS 2013

TOURISM IMPACTS ALL 53 COUNTIES.
VISITOR SPENDING INCREASED AN
AVERAGE OF **16.4%** ACROSS ALL COUNTIES.



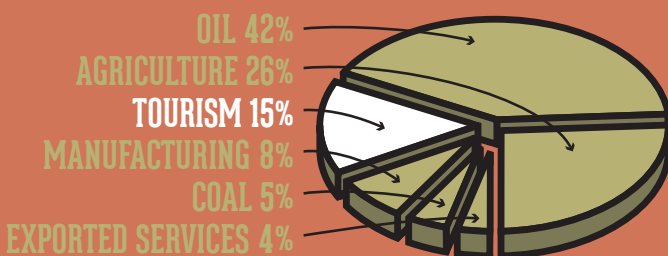
Source: IHS 2013



\$307 MILLION IN
LOCAL AND STATE TAXES PAID
BY VISITORS CREATES A
RESIDENT TAX SAVINGS OF
\$1,011 PER HOUSEHOLD.

Source: IHS 2013

TOURISM IS NORTH DAKOTA'S
3RD LARGEST INDUSTRY.



Source: NDSU 2012

VISITORS SPENT
\$3.6 BILLION
IN 2013.



Source: IHS 2013

JUST **1,029 VISITORS**
GENERATE ENOUGH TAX
REVENUE TO EDUCATE
ONE PUBLIC SCHOOL
STUDENT.

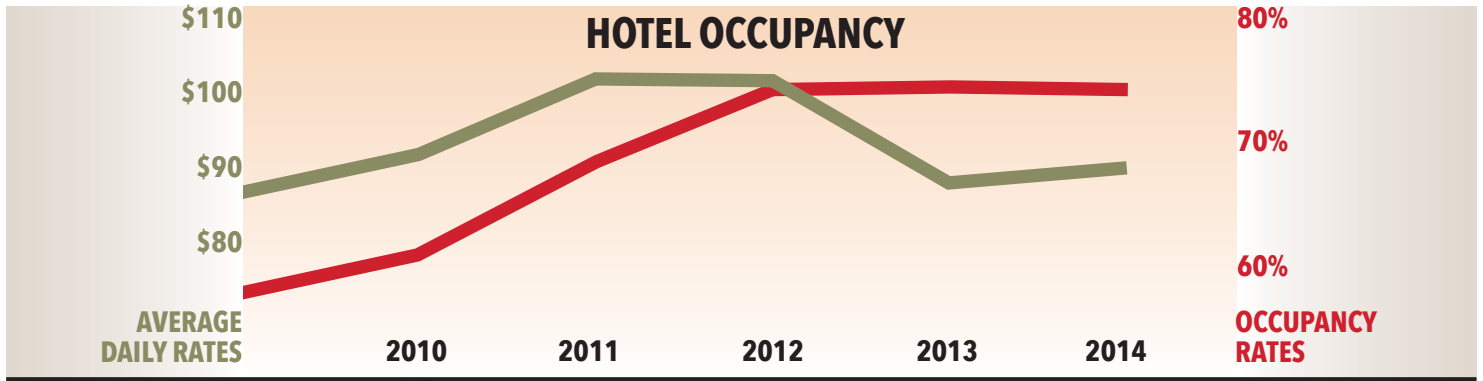
Source: IHS 2013



ND TRAVEL INDUSTRY GROWTH

AREA OF TRAVEL	2013	2014	+/-
STATE PARKS	1,125,231	1,073,146	-5%
NATIONAL PARKS	580,296	587,191	1%
MAJOR ATTRACTIONS	4,137,203	4,626,385	12%
VISITOR CENTERS	88,952	86,881	-2%
CANADIAN BORDER CROSSINGS (through November 2014)	785,116	778,974	-1%
DEPLANEMENTS	1,096,770	1,223,624	12%
LODGING TAX	9,279,063	10,175,559	10%
TAXABLE SALES AND PURCHASES (through 3rd quarter)	2013	2014	+/-
ACCOMMODATIONS & FOOD SERVICES	\$1,313,303,601	\$1,432,490,290	3%
ARTS, ENTERTAINMENT & RECREATION	\$80,911,880	\$84,304,535	4%

TOURISM DEVELOPMENT



EMPLOYMENT

Jobs: 26,600

**Payroll: \$787 million
in wages and salaries**

**5th-largest private
sector employer**

Source: IHS 2013

BUSINESS OPPORTUNITIES

North Dakota is seeking outdoor sports entrepreneurs to develop more tourism-related services like guides, outfitters and outdoor recreation providers. Every year, more outdoor enthusiasts come with money to spend.

2014 INFRASTRUCTURE GRANT RECIPIENTS

- 1 Dakota Territory Air Museum, Minot, for the new 5th Fighter Interceptor Squadron Display. This squadron was active at the Minot Air Force Base from 1960-1988 and is unique to this air museum.
- 2 Fargo-Moorhead Curling Club for construction of a state-of-the-art curling facility and event center in Fargo. The new curling facility will be the largest between Minneapolis and Seattle, enabling the hosting of national and international competitions.
- 3 Grafton Parks and Recreation for the addition of 15 full-service campsites, five bunkhouses, bathhouse and welcome center to the Leistikow Campground in Grafton.
- 4 High Plains Cultural Center, Killdeer, for completion of a visitor information and interpretive center, serving as the southern gateway to the Killdeer Mountain Four Bears Scenic Byway.
- 5 Lund's Landing, Ray, for the Lake Sakakawea Outdoor Adventure expansion, which will offer recreational rentals to the public on Lake Sakakawea.
- 6 North Valley Arts Council for the Grand Forks Art Center, a cultural space in downtown Grand Forks including an art gallery, two performing arts spaces, coffee shop and rooftop deck.
- 7 Sleepy Hollow, Bismarck, for the stage expansion at Sleepy Hollow Arts Park. The expanded stage at Sleepy Hollow allows for additional uses and helps the facility to expand its visitor potential by hosting larger productions at the park.
- 8 Tailrace Adventures, Riverdale, for recreation equipment available for rent at Sakakawea Sunset Lodge.



NORTH DAKOTA'S DIVERSE TRAVELERS

OUTDOOR RECREATION

Nonresident fishing license electronic sales were at a record high, **up 6.3%** in 2013 and **up 17%** for 2014, reaching 32,817.

ND Tourism worked with 17 partners at sport shows in Minnesota, Montana, Colorado, South Dakota and two shows in Wisconsin. Representatives from the town of Harvey attended the Minneapolis show, which resulted in several favorable articles about pheasant hunting around Harvey and an increase in traveler inquiries.



North Dakota sponsored Pheasants Forever's Rooster Road Trip, which brought hunts to North Dakota in 2013 and 2014. Digital media coverage of the hunts resulted in a **60% increase** in likes on the Outdoors North Dakota Facebook page, from 6,670 to 10,700 over the month of October.

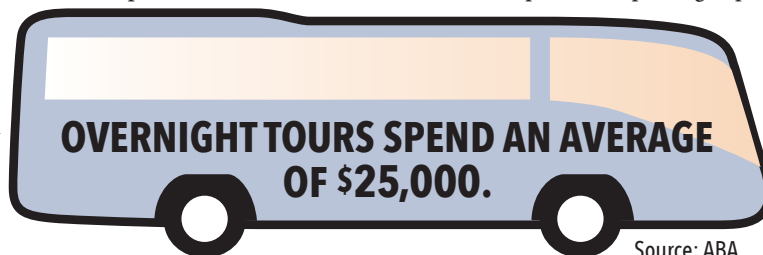
GROUP TRAVEL TO ND

In 2014, ND Tourism participated in 14 marketplaces, meeting with 545 operators from across the globe pitching dozens of North Dakota itineraries.

More than 1,000 motorcoach industry leaders also received the new 36-page North Dakota Group Tour Guide with itineraries crisscrossing the state.

Canadian Bus Travel brought 1,153 buses with 30,881 Canadian guests. Overall, North Dakota

hosted four personalized familiarization tours with companies from Saskatchewan, Colorado, Minnesota and Wisconsin. This brought in seven new tours, 12 overnights and **56 site visits**, resulting in a **\$74,750 return** toward the industry's bottom line. The number of tour operators reporting trips to North Dakota increased 40% since 2012.



Source: ABA

Going forward, North Dakota has earned two listings on the American Bus Association's Top 100 Events for North America for 2015 – Big Iron Agricultural Show and Norsk Høstfest.

INTERNATIONAL TRAVEL TO ND

North Dakota hosted eight familiarization (FAM) trips involving 12 media and 20 travel trade reps from 10 different countries. This resulted in the equivalent of more than \$1.04 million in earned media.

For our first "MegaFAM" via our partnership with the Rocky Mountain International (R.M.I.) consortium, we hosted 12 international tour operatives and overseas representatives, which immediately resulted in new partnerships with an Italian tour operator and a UK company, both now offering North Dakota tours.

International travel operators are increasingly promoting the "Real America" region.

North Dakota's inclusion allows us to reach an **additional 7.2 million**

U.S.-bound travelers, and the opportunity to partner with more than 400 new tour operators and travel wholesalers from 17 countries.

TOP 6 OVERSEAS MARKETS REQUESTING INFO ON ND:

1. UK
2. Germany
3. Italy
4. Australia/New Zealand
5. Nordic Region
6. France

CANADIAN VISITOR STATS

In 2012, Canadians spent more than \$266 million in North Dakota – a 9.7% increase over 2011.

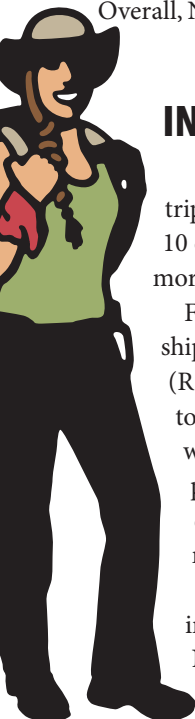
Source: Statistics Canada 2012

TOP 10 STATES VISITED BY CANADIANS:

1. New York
2. Florida
3. Washington
4. Michigan
5. Nevada
6. California
7. Pennsylvania
8. Maine
9. Montana

10. North Dakota

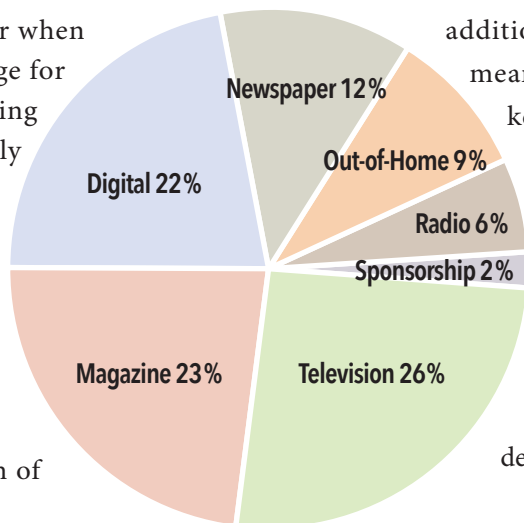
Source: Statistics Canada 2012



ADVERTISING TRAVEL TO NORTH DAKOTA

North Dakota Tourism is a leader when it comes to creating a positive image for the state. Through its paid advertising efforts, the travel industry is directly connecting millions of people around the world with North Dakota each year, building awareness and interest in the state.

The 2014 paid media budget was \$2.5 million. The investment of these dollars motivated 1.2 million trips and resulted in \$236.4 million of

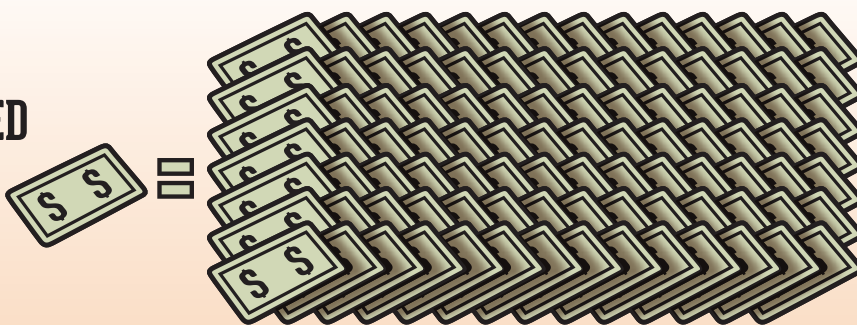


additional visitor spending in North Dakota, meaning that for every \$1 invested in marketing, North Dakota earned back \$94.

The full advertising campaign focused on outdoor enthusiasts, international travel, group travel and domestic leisure travel.

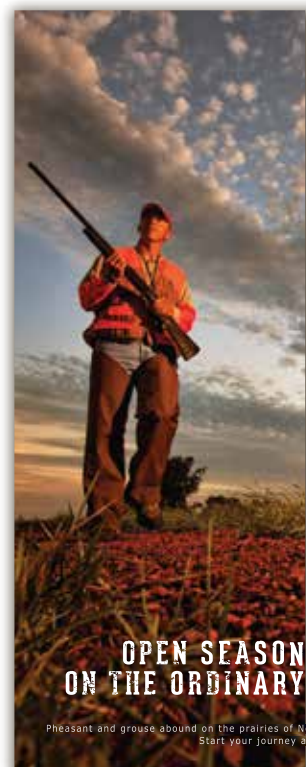
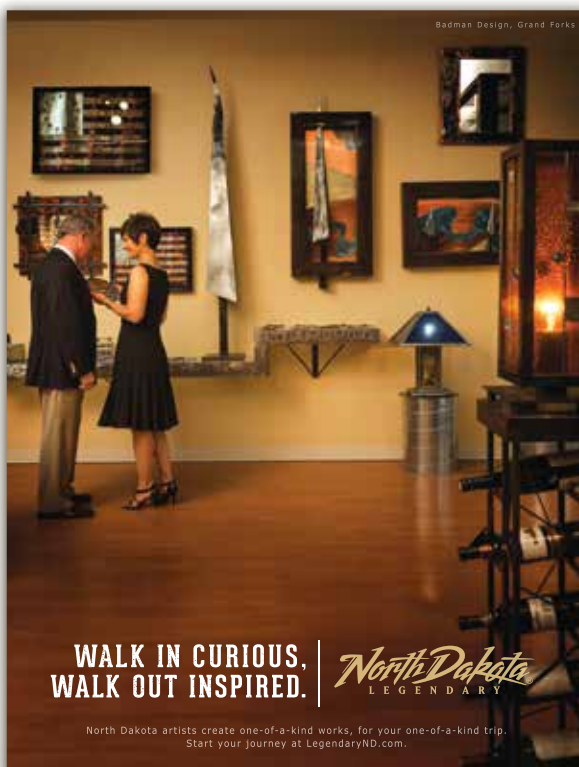
North Dakota Tourism advertising dollars are a smart investment for the state to make, with image-bolstering effects also benefitting employer recruitment, business development and general public perception.

**IN 2014, TOURISM
ADVERTISING MOTIVATED
1.2 MILLION TRIPS,
RESULTING IN \$236.4
MILLION IN SPENDING.**



\$1 invested = \$94 in spending

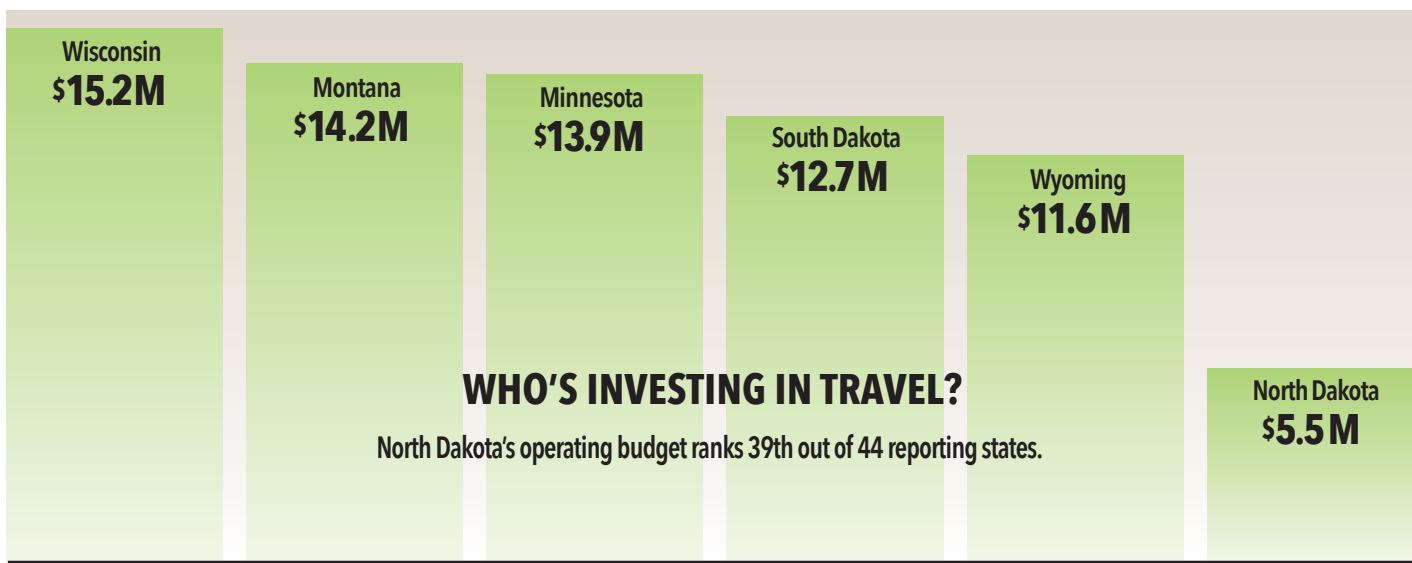
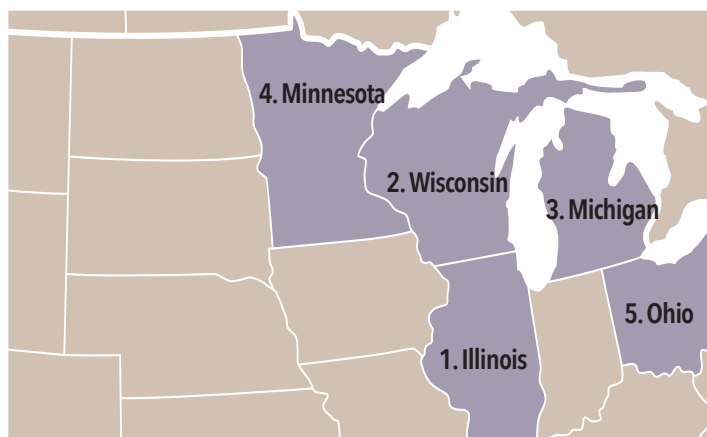
Source: Longwoods International 2014



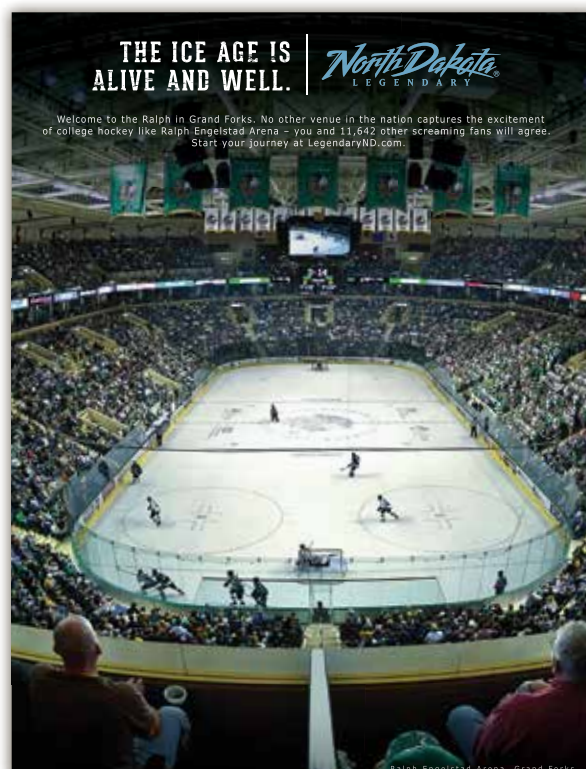
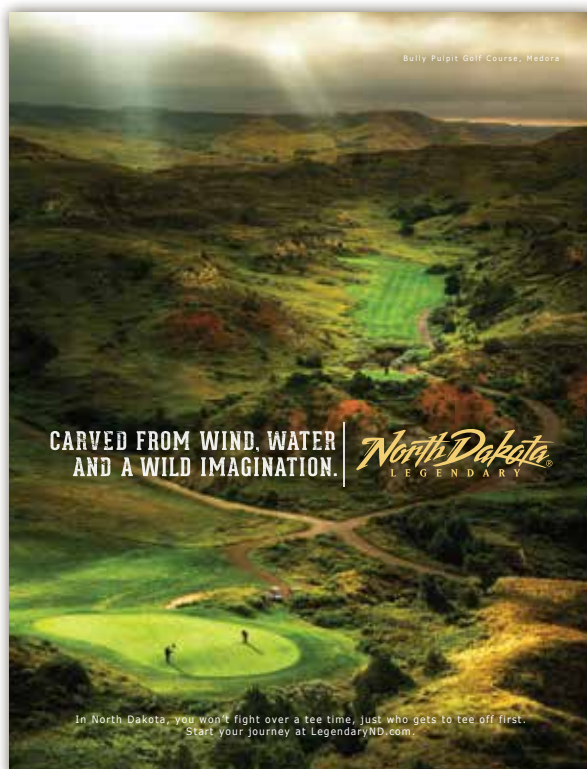
2014 TARGET MARKETS



TOP 5 STATES REQUESTING VISITOR INFO ON ND



Source: U.S. Travel Association 2013-14



PROMOTING NORTH DAKOTA

PUBLIC RELATIONS AND SOCIAL MEDIA

Our public relations efforts work to earn positive, informative media coverage on North Dakota, both in-state and nationally. Social media efforts work to spread information and encourage conversation about the experiences and Legendary opportunities in the state. Both work together to enhance North Dakota's overall image.

Through traditional public relations efforts, including media pitches, press releases and direct interactions with reporters, freelance writers and bloggers, more than 320 positive stories about North Dakota in more than 130 media outlets appeared in 2014. A few major outlets included:

- USA TODAY Travel
- CNN Travel
- American Road Magazine
- National Native News
- National Parks Traveler
- Museum Magazine

Social media efforts resulted in a 41% audience growth on Facebook and 27% growth on Twitter. The most significant results from social media were a direct result of working with actor Josh Duhamel as the new "Voice of North Dakota." Between posting on his own page and on ND Tourism's page, the video announcing the new campaign earned:

- 27,481 likes
- 1,279 shares
- 1,016 comments



Duhamel alone contributed more than 4 million impressions on Twitter by initiating or re-Tweeting North Dakota content, which is 7.06% of all @NorthDakota impressions.

Additionally, Duhamel posting his North Dakota video to social media in January 2014 generated 28,868 page views to the specific article on NDtourism.com. It also increased traffic from 32,042 unique users from the same month the previous year to 82,825 unique users in 2014, which was a 158.5% increase.

Social media



102,760,003
TOTAL IMPRESSIONS WERE
GENERATED IN 2014
THROUGH SOCIAL MEDIA.

SOCIAL MEDIA GROWTH FROM 2013



Facebook

- 44% audience growth
- 43,062 fans
- #1 referrer to NDtourism.com in 2014



YouTube

- 35% audience growth
- 236 subscribers



Pinterest

- 29% audience growth
- 964 followers



Twitter

- 27% audience growth
- 21,419 followers



Flickr

- 12% audience growth
- 588 members



Instagram

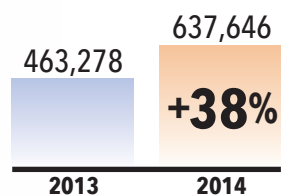
- 77% audience growth
- 4,421 followers

Referrals to NDtourism.com increased 121% over 2013.

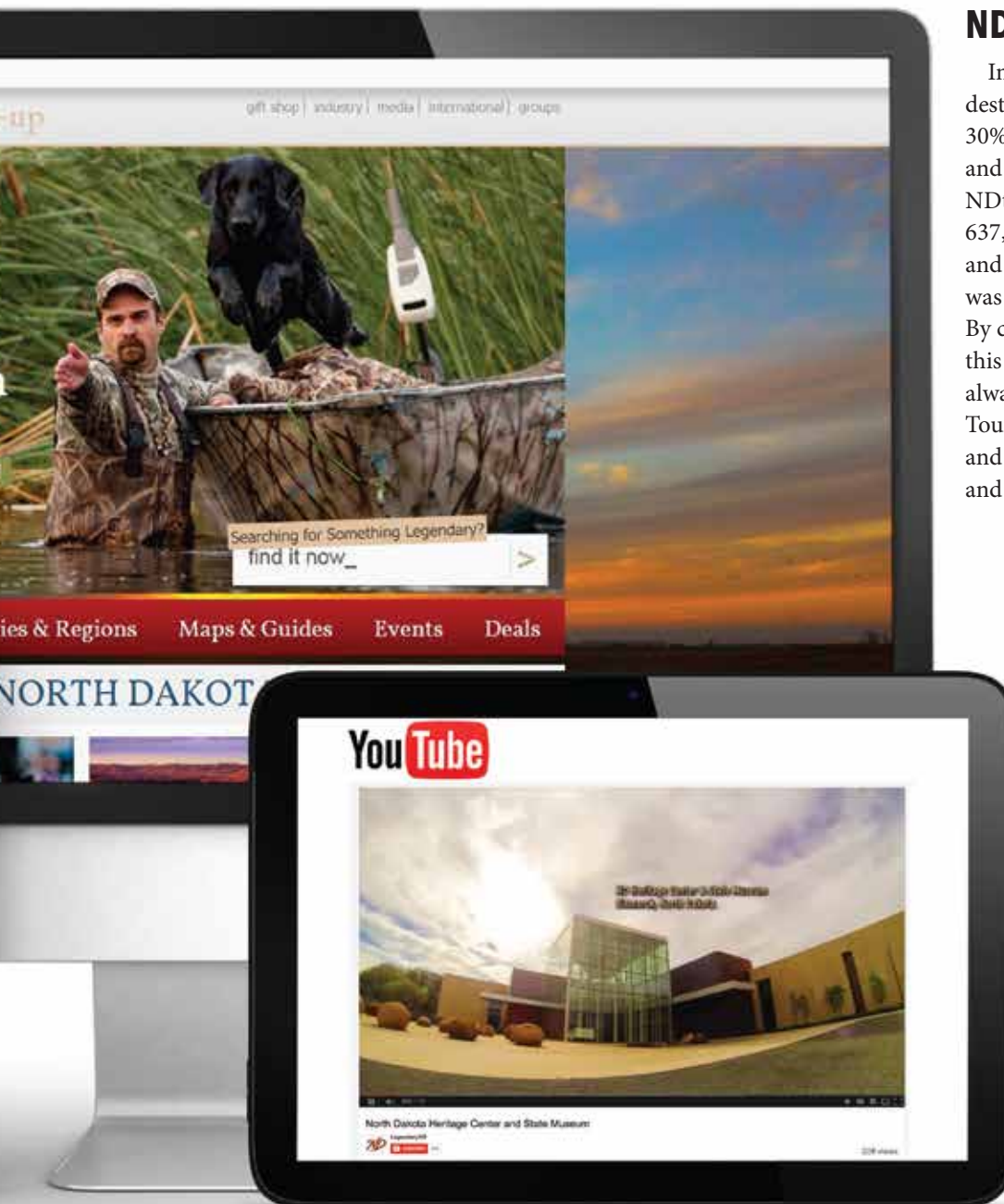
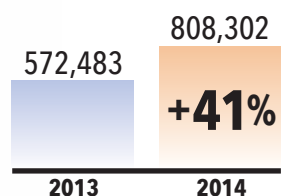
NDtourism.com

In our target demographic, destination websites are used by 30% of travelers to gather information and make their travel plans. In 2014, NDtourism.com helped connect 637,646 people to the opportunities and adventures in North Dakota. This was an increase of 38% over last year. By continuing to drive travelers to this convenient, all-encompassing, always-available resource, North Dakota Tourism meets the needs of its audience and inspires additional trips, trip extensions and ultimately a better industry bottom line.

UNIQUE VISITS



TOTAL VISITS



24 MILLION VISITORS



MORE THAN 1,000 ATTRACTIONS & EVENTS



MORE THAN 900 ACCOMMODATIONS



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